

of the chemical wastes lying in and around the UCIL premises while hearing the Public Interest Litigation (PIL) filed in Writ Petition No. 2802 of 2004 in the High Court. The High Court is regularly monitoring the progress made by the Task Force and has issued necessary directions to the Madhya Pradesh Pollution Control Board and Government of Madhya Pradesh.

### **Task Force on PCPIR**

**2604. SHRI KANJIBHAI PATEL:** Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether it is a fact that a Task Force on Petroleum, Chemicals and Petrochemicals Investment Regions (PCPIR) was constituted to enable quick and coordinated decision making and to provide an appropriate policy frame-work for the development of investment regions in the field of petroleum, chemicals and petrochemicals;
- (b) whether they have submitted to Government any policy frame-work on this regard; and
- (c) if so, the details thereof?

**THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE):** (a) to (c) A Task Force on Petroleum, Chemical and Petrochemical Investment Regions (PCPIR) was constituted to enable quick and coordinated decision making and to provide an appropriate policy framework for the development of investment regions of requisite scale and level of facilities, with the involvement of world class developers and investors, in the field of petroleum, chemicals and petrochemicals. The policy is at the draft stage and is under the consideration of Group of Ministers.

### **Subsidy of fertilizers**

**2605. DR. GYAN PRAKASH PILANIA:** Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) what is the total amount of annual subsidy sanctioned by the Central Government and what is its quantum per bag/KG etc., fertilizer-wise;

- (b) how this subsidy is distributed and whether it is given directly to producers/distributors/sellers/farmers;
- (c) if this total subsidy is divided into the total number of farming families/units in the country, what quantum per family would get;
- (d) whether there is a general perception/complaint that subsidy benefit does not reach the poor farmers while producers and traders are the real beneficiaries; and
- (e) if so, what steps are contemplated to rationalize revamp Subsidy Policy to make it farmer friendly?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The total amount of subsidy sanctioned for fertilizers during the year 2006-07 is as under:-

	Amount (Rs. Crore)
Indigenous urea	10410.37
Imports of Urea	1093.54
Decontrolled indigenous P&K fertilizers	4399.00
Decontrolled imported P&K fertilizers	1350.00

In addition to the BE 2006-07 as indicated above Rs. 1500 crore has been allocated in first batch of supplementary Demands for Grant. Based on the present approximate per MT subsidy paid on various fertilizers the subsidy paid on per bag of 50 kg is indicated in the enclosed statement (See below).

(b) Urea a controlled fertilizers, is sold at statutorily notified maximum retail price (MRP) and decontrolled phosphatic and potassic fertilizers are sold at indicative MRPs except in case of SSP, MRPs in respect of which are indicated by respective State Governments. As the cost of production of fertilizers is generally more than the MRP/indicative MRPs, the difference between the cost of production as assessed by the Government and the MRP/indicative MRPs is paid as subsidy/concession to indigenous urea manufacturers under New Pricing Scheme and to manufacturers of Phosphatic and Potassic fertilizers under the Concession Scheme. As the sale prices of both indigenous and imported

fertilizers are fixed uniformly, financial support is also given on imported urea and decontrolled phosphatic and potassic fertilizers. Since the fertilizers are available to the farmers at uniform fixed Maximum Retail Prices as compared to the actual higher delivered cost, the benefit of subsidy/concession paid by the Government through manufacturers/importers is actually going to the farmers.

(c) As the subsidy on fertilizers is not disbursed directly to farming families/units in country, the question of calculating the quantum of subsidy per family does not arise.

(d) and (e) As mentioned in reply to part (b) above, the benefit of subsidy on fertilizers is passed on to farmers as the urea and decontrolled phosphatic and potassic fertilizers are made available to them at fixed MRPs/indicative MRPs, which are much below the cost of production of these fertilizers. The Government closely monitors the availability of all major fertilizers to ensure adequate availability of these fertilizers to the farmers.

### **Statement**

#### *Approximate subsidy on various fertilizers*

Products	Approximate subsidy per MT	Approximate subsidy on per bag of 50 Kg.
1	2	3
Urea	5349	267
Indigenous DAP	7292	365
Imported DAP	6308	315
MOP	7153	358
SSP	975	49
16:20:00	3597	180
20:20:00	4330	217
20:20:0 (gas)	2145	107
23:23:0 (gas)	2385	119
28:28:00	6833	342

1	2	3
10:26:26	6902	345
12:32:16	6627	331
14:28:14	6095	305
14:35:14	7144	357
15:15:15 (gas)	3572	179
15:15:15	5211	261
17:17:17	5312	266
19:19:19	6925	346

### New fertilizer projects

†2606. SHRI RAM JETHMALANI: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether it is a fact that dependence on import of fertilizers would increase to meet its requirement in the country;
- (b) if so, the name of the fertilizers and its quantity proposed to be imported during 2006-07 along with their quantum;
- (c) the additional subsidy that would be needed on account of their import; and
- (d) the number of applications pendings before Government for setting up new fertilizer projects and the date on which the last urea fertilizer production project was started in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The demand of fertilizers has shown upward trend in the country during the last two years. The production of urea in the country is around 200 lakh MT as against the assessed demand of around 240 lakh MT during the current year. Import of urea is made on Government account to bridge the gap between assessed demand and estimated production.

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†Original notice of the question was received in Hindi.